

## GOVERNMENT OF ANDHRA PRADESH

### ABSTRACT

Cooperation Department – Exemption from the operation of Clause (iii) of Proviso-2 of Sub Section (1) of Section 21 (A) of the APCS Act 1964 to the delegates of PACSs who are Directors on the Boards of DCCBs and DCMSs– Orders -Issued.

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### AGRICULTURE & COOPERATION (COOP.VI) DEPARTMENT

**G.O.Rt.No: 947**

**Dated :01-08-2009**

Read the following:

1. From Sri. Ponnamm Prabhakar, Chairman, APS Coop. Marketing Federation Ltd. Hyd. Lr.Rc.No.,C-23/01/2009, Dated: 09-01-2009 Received through M (Coop.) Endt. No.9/M(Coop/2009, Dated:15-01-2009.
2. From the CC & RCS, A.P. Hyd. Lr.Rc.No.1910/2009/ LR2, Dated:18-02-2009.

### **ORDER:**

In the reference 1<sup>st</sup> read above, the Chairman, A.P. State Cooperative Marketing Federation Limited, Hyderabad has requested to accord exemption from the operation of provisions of section 21-A (b) of APCS Act to the delegates of PACS who are directors on the Boards of Dist. Cooperative Central Banks and Dist. Cooperative Marketing Societies.

2. The Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad, while explaining the position as requested by the Chairman, APS Cooperative Marketing Federation Ltd., Hyderabad, vide his letter 2<sup>nd</sup> read above, has stated that Government vide G.O.Rt.No.1173, Agri. & Coop., (Coop-VI) Department, Dated:7-01-2005, have exempted Primary level Societies as well as Central level Societies affiliated to District Cooperative Central Banks, District Cooperative Marketing Societies, APCOB and MARKFED from the operation of sub clause (iii) of proviso 2 of sub-section (1) of section 21(A) of the A.P. Cooperative Societies Act, 1964 for the purpose of Cooperative Elections held in 2005 as many of the DCCBs and DCMSs were in default, due to unfavourable conditions like drought etc. and were ineligible to participate in elections due to attraction of the above mentioned provision. The Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad has stated that the Government Pleader, Agri. & Coop., High court of A.P., Hyderabad, who was also requested to offer his considered opinion whether the exemption given in G.O.Rt.no.1173, Agri. & Coop., (Coop-VI) Department, Dated:7-01-2005 for the purpose of Cooperative Election, 2005 from the operation of provision of clause (iii) of Proviso-2 of Sub-section (1) of Section 21 (a) of the APCS Act.1964 will continue to be in operation even now also i.e. till the completion of the present term in the office despite acquiring of subsequent default by the Society, has opined that the exemption granted in the G.O.Rt.No.1173, Agri. & Coop., (Coop-VI) Department, Dated:7-01-2005 is only for the purpose of Cooperative Election conducted in the year 2005 and it can not be said to be in operation till the completion of term of the office despite committing of subsequent defaults by the Society. He has also stated that Agricultural Debt waiver scheme is not applicable to the loans availed by the members from Khariff 2007 onwards as they become over due only after February, 2008 in respect of which the waiver scheme doesn't apply. Hence, according exemption to the delegates of PACSs who are Directors on the Board of DCCBs & DCMSs on the grounds of committing default may rise issues of financial discipline.

3. The Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad, while explaining the above position, has requested to take an appropriate action on the request of the Chairman, A.P. MARKFED to accord exemption from the clause (iii) of Proviso-2 of Sub-section (1) of Section 21 (A) of the APCS Act.1964.

4. Government have carefully examined the above proposal of the Commissioner for Cooperation and Registrar of Cooperative Societies and consider that it is appropriate to give exemption as requested by the Chairman, A.P. State Cooperative Marketing Federation Limited, Hyderabad. Accordingly in exercise of the powers vested under section 123 of the A.P. Cooperative Societies Act, 1964, Government hereby exempt the delegates of PACS who are Directors on the Boards of Dist. Cooperative Central Banks and Dist. Cooperative Marketing Societies, from the Provisions of clause (iii) of proviso 2 of Sub-section (1) of section 21(A) of the A.P. Cooperative Societies Act, 1964.

5. The Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad is also requested to issue suitable instructions accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**K. RATNA KISHORE**  
**PRINCIPAL SECRETARY TO GOVERNMENT**

**To**

The Commissioner for Cooperation and Registrar of Cooperative Societies., A.P., Hyderabad .

The Chairman, A.P. State Cooperative Marketing Federation Ltd., Hyderabad.

The Managing Director, APCOB Ltd., Hyderabad.

The Managing Director, MARKFED, A.P.,Hyderabad.

**Copy to:**

The PS to Minister for Cooperation,

The PS to Principal Secretary (C&M).

//FORWARDED :: BY ORDER//

SECTION OFFICER